

NEW YORK HERALD.

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EDITOR AND PROPRIETOR.

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AMUSEMENTS THIS EVENING.

ACADEMY OF MUSIC, Irving place.—ITALIAN OPERA.—
LORDS OF CHANCE.

NASSAU GARDEN, Broadway.—WILD OATS.

WINTER GARDEN, Broadway.—NIGHT QUEEN.—MARRIED
LIFE.WALLACK'S THEATRE, No. 84 Broadway.—POOR GUY.
WALLACK.LAURA KEENE'S THEATRE, Broadway.—OUR AMERICAN
COMEDY.NEW BOWERY THEATRE, Bowery.—JAGS STRIP—
GARDEN AND FAIR STATE.—A LUCKY DAY.BOWERY THEATRE, Bowery.—STICKNEY'S NATIONAL
CIRCUS.BARNUM'S AMERICAN MUSEUM, Broadway.—GUY
NETT—LIVING HIPPOGRAPHS, WHALE, &c. at 1000 Broadway.
ORNDIFF, STEVENSON AND COMPANY.BRYANT'S MINSTRELS, Mechanics' Hall, 472 Broadway.
—DOWN IN OLD KENT.HOOLEY'S MINSTRELS, Shubert's Institute, No. 639
Broadway.—ETHIOPIAN SONGS, DANCES, &c.MELODEON CONCERT HALL, No. 539 Broadway.—
SONGS, DANCES, BURLESQUES, &c.—HOLIDAY IN IRELAND.CANTERBURY MUSIC HALL, 253 Broadway.—SONGS,
DANCES, BURLESQUES, &c.—MARRIED LIFE.GAITIES CONCERT ROOM, 616 Broadway.—DRAWING
ROOM ENTERTAINMENTS, BALLET, COMEDIES, FARCES, &c.AMERICAN MUSIC HALL, 444 Broadway.—SONGS, BAL-
LETS, PASTORALS, &c.—PORTFOLIO FAIR.CRYSTAL PALACE CONCERT HALL, No. 45 Bowery.—
BURLESQUES, SONGS, DANCES, &c.—COMEDY OF THE FUTURE.PARLIAMENTARY CABINET OF WONDERS, 563 Broadway.—
Open daily from 10 A. M. to 10 P. M.NOVELTY MUSIC HALL, 616 Broadway.—BURLESQUES
SONGS, DANCES, &c.

New York, Friday, February 7, 1862.

THE SITUATION.

Congress has at length taken an important step towards placing the financial condition of the country on a sound basis, and providing for the vital demands upon the Treasury for means to prosecute the war against rebellion. In the House yesterday the Treasury Demand Note bill, with the "legal tender" clause included, was passed by a vote of ninety-three to fifty-four, substantially in the form in which it came from the hands of the committee. The bill provides for the issue by the Secretary of the Treasury of demand notes to the amount of one hundred and fifty millions of dollars, which notes are to be received as a legal tender for all purposes. There can be little doubt that the bill will also pass the Senate, and we sincerely trust that that body will hasten its completion as a law. When this is accomplished, the public look for the speedy enactment of a Tax bill, as a permanent and secure basis for all our financial operations.

Speculators and small bankers all over the North have combined to defeat the Treasury Note bill, in order to depreciate the government securities, so that, by buying them up at a reduced rate, they might sell them again at a profit, and thus realize considerable fortunes at the expense of the national credit. But these harpies have been discomfited so far by the success of the bill in the House. It remains now for the Senate to ratify the measure, and we cannot but think that its passage in that house is certain. Then we shall have a safe currency, which will be received as a legal tender in every part of the country—a currency which will not depreciate—and, sustained by a tax bill, the government will be strengthened for the vigorous advance of their military designs, and the country will be relieved from anxiety concerning its future financial career.

We publish the Treasury Note bill in full to-day, as it passed the House. The rejoicings in Washington yesterday when the result was known were very great, particularly among the financiers from the different large cities, who were assembled at the national capital.

General McClellan received an official despatch from General Halleck on Wednesday night, stating that our gunboats had commenced the bombardment of Fort Henry, on the Tennessee river, and that a large force of our troops had landed three miles below the fort.

Later news of the affair, however, reaches us from Chicago. A despatch was received yesterday by the *Journal* of that city from the Tennessee river, dated at noon, which says that Gen. McClellan had landed eight thousand men, and that Gen. Grant had returned to Paducah to bring down Owen Smith's brigade of seven thousand more. Fort Henry will thus be beleaguered by a force of fifteen thousand men. Seven gunboats, under Commodore Foote, are in the stream ready for action. Three of the gunboats made a reconnaissance to Panther Island, and were fired upon by five guns from the fort, only one of which, a twenty-four pound rifle gun, reached the boats. It was reported that the rebels were strongly reinforced, and it was even rumored that Gen. Beauregard had reached the fort.

Reports from Rolla, Mo., to the 5th inst., state that the condition of the roads in that section is improved. General Sigel's division moved westward on Sunday. Colonel Asboth's division left some days before, and only sufficient troops for the protection of the place remained at Rolla. General Price, with his rebel army, is said to be within eight miles of Springfield, where he will probably show fight.

From Kentucky we learn that the Virginia and South Carolina regiments attached to Humphrey Marshall's command have gone back to Virginia after his late disaster. Marshall himself proceeded to Pond Gap with the rest of his forces, where he disbanded them. He has since vanished out of sight, his whereabouts being entirely unknown.

A rumor prevailed in Louisville on Wednesday that a party of rebels belonging to Morgan's force were surprised the night previous, between Lebanon and Green river, and forty of them killed. The capture of Morgan was also reported.

Our news from Fortress Monroe is interesting. The United States transport Constitution, which sailed on Tuesday for Ship Island, met the gunboat Miami in a disabled condition north of Hatteras and towed her back to Fortress Monroe. The French fleet is still represented in Hampton Roads. The Potomac now lies there, and another vessel is daily expected. The Catinet has sailed for Havana.

The rebel fleet on Elizabeth river was roving about all day Wednesday, and during the day heavy firing was heard near Sewall's Point. During the afternoon, a tugboat was observed towing something, supposed to be a floating battery.

Great activity prevails at Boston in getting off the Butler expedition. The vessels already loaded or loading with troops and stores consist of the ships Undaunted, North American, Idaho, Ocean Pearl, Wilder Farley and Western Empire; but some steamers. The Maine Fourteenth regiment, First Maine battery, Second Vermont battery and Fourth Massachusetts battery, of the New England division, were embarked yesterday. Probably all the above vessels will sail the present week. The entire division will consist of about ten thousand men.

We have highly important news from Mexico, relating to a great battle fought between the Spanish troops and the Mexicans, at the National Bridge, near Vera Cruz, in which the Spaniards were defeated. The conflict at this important strategic point is said to have lasted five hours. From the western part of the republic intelligence represents the Mexican people as being completely united in the effort to resist foreign invasion. All international dissensions have been abandoned in one grand movement for the common cause. This news reaches us by quite a roundabout mode of transit, but it proves to be the quickest after all, as it actually puts us in possession of intelligence from the very heart of Mexico in ten days. It appears that a courier was despatched to Acapulco, and reached there before the 26th ult. The news thus brought was taken by the steamer Panama from Mazatlan to San Francisco, and was thence telegraphed to New York, the despatches being dated as late as the 4th inst. We give in full to-day the treaty entered into between the French and Spanish generals relative to the position to be allotted to the French troops in the invading armies, the substance of which we laid before our readers yesterday.

The reception of late Southern papers has placed us in possession of some interesting items from rebeldom. The *Richmond Examiner* of the 4th inst. publishes a long editorial bemoaning the condition of the rebel cause. It says:—"We have a thousand proofs that the Southern people are not sufficiently alive to the necessity of exertion in the struggle they are involved in. Our very victories have brought injury upon the cause by teaching us to despise the public adversary. The immense magnitude of his preparations for our subjugation has excited no apprehension, and had little effect in rousing us to exertion. We repose quietly in the lap of security when every faculty of our natures should be roused to action." It thinks "better to fight, even at the risk of losing battles, than remain inactive to fill up inglorious graves." It goes on to recite the things needful to put an end to the war, and proposes the following:—"First—We must first banish from the country every stranger in it who cannot give a satisfactory account of his purposes and objects here." Second—"For the whole community to throw themselves heart and soul into the war, and practice all the self-denial that the crisis demands."

The same paper thinks that the Burnside expedition has failed. "It has lost its prestige and hope; and henceforth the highest achievement it can accomplish will be that of taking care of itself."

The rebel official account of the battle of Leesburg, Va., has recently been made public. We give it in full in to-day's *HERALD*. The rebel loss in that engagement was in killed, wounded and prisoners, one hundred and fifty-five men.

A local correspondent of the *Norfolk Day Book* writes a complaining article relative to the recent escapes of slaves from that city. He says these escapes are made through instrumentality of secret societies in Norfolk, who hold their meetings weekly and in open day. He estimates the value of the contrabands recently escaped at twenty thousand dollars.

The Virginia correspondent of the *Charleston Courier* says "that out of the Fifth South Carolina regiment, numbering eight hundred men, whose term of service is about expiring, but one hundred and seventy have signified their willingness to enlist 'for the war.'"

The *Richmond Dispatch*, says the local editor of the *Richmond Enquirer* recently visited Baltimore, and passed the federal lines without any difficulty. "His report of the prevailing sentiment of the people of Maryland, gathered from reliable sources, is most encouraging. He represents that fully nine-tenths of the people of the State and of the city of Baltimore are earnest sympathizers with the Southern views."

CONGRESS.

In the Senate yesterday, among the petitions presented, was one numerously signed by citizens of Boston, asking Congress to drop the negro question and attend to the business of the country. As somewhat pertinent to this, the Congressional reporter states that at twelve o'clock, the hour of the Senate's meeting, not a single Senator was present in the chamber. A memorial from merchants of New York, that the salary, fees and perquisites of the Naval Officer and Surveyor of the Port be reduced, was presented. Mr. Harris presented a petition for the abrogation of the reciprocity treaty between Canada and the United States. A bill allowing the Corporation of Washington to issue small notes was introduced and referred. The bill defining the pay and emoluments of army officers was taken up. The bill provides for a reduction of expenditures amounting to about fifteen millions of dollars, but the ninth section contains a very objectionable clause, whereby the pay of soldiers and sailors is reduced ten per cent. Mr. Sherman offered an amendment reducing all salaries, mileage fees and contingent expenses, which, after considerable discussion on the questions of taxation, expenditures and retrenchment, was adopted. Mr. Doolittle offered an amendment reducing the mileage of members of Congress fifty per cent, which was agreed to—yeas 29, nays 10. Mr. Howe moved to strike out the ninth section, which reduces the pay of the soldiers and sailors. This was defeated, only two Senators voting in the affirmative. Mr. Howe then moved to recommit the bill, and pending the question the Senate went into executive session.

In the House of Representatives, the debate on the Treasury Note bill was resumed and concluded, and the bill, with the legal tender clause retained, was passed by a vote of ninety-three to fifty-four.

MISCELLANEOUS NEWS.

Several subjects of local and general interest were brought before the Legislature yesterday; but owing to the pressure of important matter upon our columns, we are obliged to omit the usual synopsis of the proceedings. The details may be found in another column.

The *Chicago Tribune*, republican, is pitching into General McClellan with savage terms. The editor

thinks that mud and bad roads should be no excuse for deferring the "On to Richmond" movement. Five hundred sailors are wanted immediately for government vessels at the Charlestown, Mass., Navy Yard. Where are the patriotic Jack Tars?

On the Central Park ice yesterday morning a few of our skating friends amused themselves; but as the slippery surface gave evidence of the approaching softness of the atmosphere, but few staid any length of time. The afternoon skaters were, however, much more annoyed by the weather, for scarcely had they buckled on their skates when the rain drove them off the Park entirely. In consequence of the water now gathered on the ice, it is doubtful, unless a change takes place, if the ball will be up to-day. Down town folks must, however, be guided by the signal flags.

The investigation into the shoddy uniforms, military equipments, &c., which was making such favorable progress before the Legislative Contract Committee, was brought to a close, for the time being, yesterday afternoon, and the committee left in the evening to resume their duties in Albany. It has been decided not to publish any of the testimony until the investigation is completed; but such decided proof of favoritism on the part of the powers that be in awarding contracts, as well as such wholesale swindling by parties whose names have not yet been made public, have come to light, that, to use the classical expression of one of the committee, "it will make the people's hair stand on end." A large number of witnesses have been examined when the committee next meet, which will not be, probably, before three or four weeks.

The Board of Aldermen having adjourned on Monday evening sine die, for want of a quorum, there was no meeting last night. There is a requisition in course of signature for a call for Monday next.

The Board of Councilmen met last evening, when a resolution was adopted requesting the Corporation Counsel to furnish his opinion as to whether it is necessary to have the authority of the Legislature to impose taxes for the support of the city and county government; and if such taxes may be so imposed without an act of the Legislature, by what body and under what authority the same may be done. Mr. Jones, who offered the resolution, stated that he did not know why the tax levy should be sent to Albany every year to be confirmed, and he desired to know if there was any law requiring such a course. A number of reports of the Committee on Fire Department were presented and laid over. A report of the Committee on National Affairs, adverse to the applications of the Fifth and Seventy-first regiments and part of the First regiment of cavalry for an appropriation to pay for new uniforms, was received and laid over. In reply to a resolution of inquiry as to the amount paid for advertising the proceedings of the Common Council, including the various departments, and on trust and special accounts for the year 1861, the Comptroller states that the aggregate amount was \$70,350 79.

The following are the principal items: *Daily News*, \$12,463 06; *Express*, \$11,619 07; *Transcript*, \$9,973 34; *Commercial Advertiser*, \$7,122 37; *Evening Post*, \$5,484 37. In reply to a resolution, the Croton Aqueduct Board states that \$2,000 would be sufficient to obtain the necessary surveys and plans for the establishment of a system of drainage for the upper part of the city. The Board concurred with the Aldermen in adopting an ordinance prohibiting the use of salt on the streets.

The weekly statement of the Commissioners of Charities and Correction was presented yesterday, and shows that the number of persons admitted into the different institutions during the week ending February 1, 1862, and the number remaining there on that date was 5,010—an increase of eighty-three on the preceding week. The scarlet fever patients will in future be accommodated in a separate building within the walls of the Bellevue Hospital grounds, thereby lessening the danger of contagion from this disease. During the last few months the applications for outdoor relief have increased very largely. During the last month 17,000 applications were received. Of these 8,720 were supplied with coal, 1,200 of them were informal, 950 were refused and the remainder are still in the hands of the visitors, and under consideration. In the upper wards of the city about twelve hundred families have been relieved in addition to the numbers given above.

In the Court of General Sessions yesterday Joseph Powell, keeper of a refreshment saloon in Catharine street, was tried and convicted of grand larceny, having robbed Cornelius Bronsahan of \$63 while in his establishment. The complainant swore that he was forcibly ushered into a room and the money taken from his person. A female accomplice of Powell will be tried for the same offence. Sentence will be passed on Saturday. Margaret Gallagher pleaded guilty to stealing \$33 from Christian F. Jacobs of 530 Broome street on the 7th of January, and was remanded. Ellen Shell was convicted of picking the pocket of Rutwig Semler and abstracting \$45 in bills on the 21st of December, while he was walking along John street. The evidence was so clear that the jury rendered a verdict of guilty without leaving their seats. The Recorder sentenced her to imprisonment in the State prison for two years.

The cotton market was quiet yesterday, and there was scarcely sufficient to establish prices. The sales were confined to 60 to 70 bales to speculators. We quote middling uplands at about 30c. per lb. The heaviness and unsettled condition of the Liverpool market seemed difficult to understand. Private letters stated that there was a disposition among dealers to await some expected development by France, on the 20th ult., regarding her policy in reference to American affairs. The near approach of the meeting of Parliament, in which it was supposed the same question would be agitated, was not without its influence upon the market, and especially upon the views of speculators, who always form an element in the Liverpool cotton trade. Under ordinary circumstances great ease in the money market usually causes cotton to advance, yet this was not the case by the recent advices. Breadstuffs had been, no doubt, benefited by low rates of interest, but not cotton. Advertisements received via Queenstown stated that on Saturday, the 24th ult., Manchester spinners had sent the market and purchased more freely. Flour yesterday was firm, and some grades rather lighter, while sales were active. Wheat was firm and in fair request, while sales were moderate and prices unchanged. Corn was firm, with fair sales, at 61c. for new yellow and 60½c. for Western mixed, in store and delivered. Pork was steady, with a good inquiry for spring delivery. We quote new mess at \$12 87½ a \$13, and new prime at \$9 37½ a \$9 50. Sugar was steady, with sales of 400 hds., 6,700 boxes (by auction) and 100 bags Siam. Coffee was quiet. Freight rates were inactive, with moderate engagements, at unchanged rates.

A FREE PROOF LIBRARY BUILDING FOR THE FREE ACADEMY.—It is proposed to legislate one hundred thousand dollars for the erection of a free proof building for the library of our Free Academy. The *HERALD* has never opposed any scheme for the real benefit of the Academy or of the great cause of popular education; but we think any expenditure, at the present time, for such a purpose as that proposed, is injudicious, unnecessary and extravagant. The Academy library has managed to exist without a free proof building up to this time, and, with proper care and precaution, it will get along very well in its present edifice until this time is over. There is no argument in favor of personal economy and against personal extravagance which will not apply, with even greater force, to incorporations and academies at this crisis of our country's history. If one hundred thousand dollars is to be appropriated for anything, let it be for sea and lake coast fortifications; and let the Free Academy library wait for its new building until peace brings plenty.

The Intervention Question in England—Change in the Tactics of the English Press.

There is a story told of one of the fellows of an Irish college who, when the students were blanketing a proctor who had rendered himself obnoxious to the whole *Alma Mater*, threw up his window and called out to them, "Boys, don't nail his ears to the pump." We need not say in what way the suggestion was interpreted.

Of a similar character to the above is the advice tendered by the London *Times* to the people of England in connection with Mr. Massey's violent anti-American speech at Salford. It depreciates in one breath popular agitation in favor of the intervention which it has been all along advocating, and urges its justice and expediency. "We should deplore any such agitation and lament its success," says our English contemporary. Then why take such pains to point out to the starving population of the manufacturing districts the ease with which they might put an end to their sufferings by following the example of their fellow operatives at Salford? The real purpose of the article is but thinly veiled under this new born moderation. All that the partisans of the South lacked to insure success in their recent desperate efforts to bring about a war between the two countries was the countenance and support of the English masses. They have failed from the beginning to elicit the slightest response to their appeals to them; and if now we hear of such sentiments as those of Mr. Massey meeting with approbation from a popular assembly, we may conclude either that the pressure of suffering beyond further endurance in that particular locality, or that the meeting was packed after the fashion of a theatrical *claque* by secessionist sympathizers. To say that the Salford meeting affords any index to, or is in the least likely to sway, the opinions of the great body of the English people on the American question, is simply to assume that which all antecedent facts discredit. It would be just as reasonable to place faith in the sudden conversion of the London *Times* to the principle of non-intervention, the more especially seeing that it is announced after a style so closely resembling that of the Irish wag just alluded to.

This sudden change in the tactics of the English journals, which have distinguished themselves by the bitterness of their hostility to wards us, must not be allowed to lull us into a false security. Although the Trent affair has undoubtedly done us great good by exposing their dishonesty and shameful perversions of truth, it has not rendered them less eager to accomplish our ruin. There is, unfortunately, in the British Cabinet as well as in the British Parliament a party strongly in favor of intervention. Both Lords Palmerston and Russell have shown by their public speeches and declarations that they are not indisposed to have the measure pressed upon them. Were it not, in fact, for the opposition of the Duke of Argyll, Mr. Gladstone and other members of the administration backed by the influence of the Court, the question would ere this have assumed a more threatening aspect. In the French Ministry, as in the *corps Legislatif*, there are also understood to be two parties on this question. In both countries those who are in favor of intervention are animated by the double desire of seeing the power of this republic broken, and of converting the South into a free farm for the production of the staples necessary to European comfort. In France, however, the government is less controlled by the Legislature than in England, and it is, therefore, to the approaching meeting of the English Parliament that we must look for the next developments on the intervention question. That the most desperate efforts that bribed zeal can prompt, that every device that factious ingenuity can suggest, or that the vilest mendacity can stoop to, will be employed to wring from the House of Commons a formal impeachment of the blockade, and a declaration in favor of intervention, there can be no doubt. And that resolutions to this effect will be passed is by no means an improbability.

We own that we should not be sorry to see such a vote carried by party manoeuvres, for by no other means can it possibly succeed. It would bring the issue square before the people of England, who as yet have had no opportunity of being heard in this matter. The Ministry that would attempt to give effect to such a vote would not be left long in office. The Queen is known to be strongly opposed to any interference being attempted with the domestic affairs of this country until it is incontestably demonstrated that the North is unable to put down the rebellion. The cordial and hospitable reception that her son met with here has rendered her deaf to all the sordid considerations that have been urged in favor of an immediate intervention. Should, therefore, through the connivance of the Ministry, or, despite of it, through the artifices of the Tory party, the House of Commons give its sanction to it, we have a moral conviction that it would be instantly followed by a dissolution of Parliament and an appeal to the English constituencies. This is what we above all things desire. Nothing would more effectually confound and punish the miserable schemers—both politicians and journalists—who are seeking for their own selfish ends to plunge two nations in hostilities who have so many traditions and interests in common. The English aristocrats had better take care lest, in provoking an issue which takes them to the hustings, they may not be sowing the seeds of lasting trouble for themselves.

OUR COMMISSIONERS TO REBEL PRISONS.—Simultaneously with the announcement of the arrival at Fortress Monroe of Messrs. Fish and Ames, the national Commissioners recently appointed to visit our prisoners among the rebels, we receive information from the Richmond journals that these Commissioners are regarded as spies by the rebel authorities, and will be refused admittance to the Confederacy. If they were spies this refusal would not be ungracious; but as the Commissioners have sent to the rebel government a full statement of the objects of their mission, along with their request to be permitted to pass the lines, it is to be hoped that the rebels will view the case in its true light and change their minds about it. There have been so many complaints of the ill treatment of our prisoners by the rebels that little doubt remains of the real facts in the matter. If these complaints are well grounded, Jeff. Davis does well to refuse to admit our Commissioners, and by that very refusal acknowledges the truth of the complaints. If, however, the prisoners are well treated, what harm can there be in allowing our Commissioners to see and report the fact? The Confederacy sadly needs a little reputation for humanity, and there is no easier way to gain it,

if it be deserved, than through the reports of our Commissioners. Only a state of things too abominable to be seen will justify secrecy. But let us be patient in any event, for we shall open the Southern prison doors with the bayonet by and by.

Important Development of Opinion in the Legislature at Albany.

The recent proceedings of the Assembly at Albany, on the important question of the public finances, are of the highest importance to the country. They show that a healthy reaction has at length set in in our State Legislature, which bids fair to extirpate the last elements of a factious and disloyal opposition to the general government. The debate on the various financial propositions, and the practical resolutions which were passed by so overwhelming a majority, prove that there are men in the present Legislature who are equal to the duties of the great national crisis through which we are passing. All true legislators are known by their wise and practical actions, and not by the empty rhodomontade to be found in mouths of political empirics.

The Legislature of the State of New York has been called upon to grapple with a measure which required the display of solid legislative ability. In discharging their duty they have gained for themselves the approbation of the whole country, and demonstrated their superiority to any of their predecessors. While, on former occasions, the members of the State Assembly have wasted the public time in vain and useless disputes, the present body have vigorously applied themselves to the great necessities of the moment, and the cordial support of the federal administration on a question of the very first importance.

In setting forth in their resolutions that means should be provided for redeeming the paper currency of the government by payments in specie, the Assembly have only asserted a generally admitted principle of sound finance and political economy. Every one who knows anything of trade and commerce is aware that it is one of the first necessities in ordinary business. But this is a rule which applies particularly to times of peace, when specie is plentiful, and therefore the most healthy basis of financial operations. At such a time all mercantile and commercial affairs can be easily regulated by such a standard. Banking institutions and trade exchanges are similarly governed, for engendering mutual confidence among individuals and communities. But war, with its inexorable necessities, changes all these things; and there are periods of public difficulties and calamities which call for measures by no means adapted to times of peace. On such occasions the ordinary modes of business have to be temporarily set aside or greatly changed. When financial revolutions come upon a community or upon individuals—whether caused by famine, losses, failure of harvests, or any other event—each one has to adopt the best means he can for meeting his demands, until a season of prosperity returns. The same effect is produced on governments by war. A long, widely extended and exhaustive war frequently calls upon a government for colossal exertions, and in most cases renders prompt and continuous payment in specie an entire impossibility. In such cases the government has the undoubted right of resorting to its credit, and of issuing convertible paper money to meet its necessities. This may be done with perfect safety, so long as the necessary precaution is taken, either before or after the issue, to provide means for its redemption at some future time. Of the popularity of the measure there is no question whatever. In a country like this there could be no more secure investment for the people, and the government notes would readily take the place of gold. The property of the people is worth more than sixteen thousand millions of dollars, and this immense amount of public wealth would always be the most solid security for the solvency of the general government, and therefore for any issue of money it might make.

Unceasing specie payments by the government in time of war are just as impossible as they would be to individuals in periods of want and distress. Those who think otherwise have only to reflect on the immense amount of gold and silver which would be required to meet the daily demands of a government with more than half a million of men in the field, and a vigorous war to prosecute both by sea and land. No government in the world could do it.

The blind opposition of Mr. Speaker Raymond to the practical resolutions of the majority of the Assembly on this question is the strongest evidence of his inability to preside over a legislative body. A mere political charlatan, without any knowledge of true statesmanship, who only became Speaker by accident, it is no wonder that he ranged himself on the wrong side of the question. It was well for the country that there were practical men to repudiate and defeat his dangerous and disloyal scheme. Like all men of one idea, he was most persistent in his endeavors to force his plans upon the intelligent majority. But the good sense of the Assembly bore him down, and after repeated and complete defeats he and his handful of supporters were reduced to a poor minority. This has made the honorable Speaker very wroth, and in his rage he has had the audacity to attack and denounce those who sustained a sound policy, by which the government is to be strengthened and sustained.

The Assembly have thus, very differently from their Speaker, shown themselves equal to the emergencies of the hour. In resolving to sustain the government financially in a vigorous prosecution of the war, they have evinced their loyalty and their confidence in the inexhaustible resources of the republic. They have manifested their full appreciation of the difficulty which would beset the government if the standard of finance for times of peace were attempted to be strictly applied to the war now raging, and their patriotic action might be emulated elsewhere with much advantage to the country.

Nothing is left now but for the government to issue its new notes, under the restrictions we have already pointed out—that the issues shall be convertible into six per cent United States bonds, the interest on which shall be regularly paid in coin by the appropriation of a fixed annual sum from the war taxes. This issue will be as good as gold, and will circulate as readily in every ramification of trade and commerce. When the rebellion is put down, and the war is at an end, general specie payments will be gradually resumed, as the correct basis of a financial policy in times of peace. This has been the experience of all great governments in the management of extensive wars; and, with proper legislation on the subject, no complication whatever need be feared.

There is another question which we would be glad to see submitted to the Legislature at Albany. The abolitionists, with their unceasing agitation on the slavery question, have frequently succeeded in dividing the councils of the representatives of the people and in embarrassing the government. So long as they are let alone they will pursue their violent and mischievous policy. Let, then, the sense of the Assembly be taken on their favorite project of immediate and total emancipation. We have no doubt that if proposed it would be voted down with even greater numbers than those that swept away the financial measures of the charlatan and accidental Speaker of the Assembly. Let this question be decided, and it will be the last of Speaker Raymond and his followers. Black republicanism would then receive its final blow, and thenceforth would be confined to that oblivion and degradation from which it originally arose. Let the Legislature look to this; for if they but succeed in overthrowing the only existing element of opposition to the government, the rebellion will be speedily suppressed, and peace will then be restored to our country.

Mr. Sumner on the Extension of our Diplomatic Relations.

Mr. Sumner, United States Senator from Massachusetts, is a very distinguished gentleman. He is brimful of poetry, sentiment and philosophy of the transcendental stamp! He is an elegant scholar, quoting Greek and Latin authors with the same fluency and familiarity as the English poets and historians. Sometimes, however, his quotations from Herodotus and other ancient classics are not very correct, and when they do happen to be accurate they unfortunately do not apply to the argument. In international law Senator Sumner is "some pumpkins." He produced a better State paper than that of Mr. Seward on the case of the Trent, but from some fatality he did not deliver the oration till the whole affair was settled. Had he enlightened the government and the nation in time, much public anxiety might have been prevented, and the danger of war, which was so imminent, would have been averted from the first. It is well, however, even after the government has acted, to satisfy both it and the country that the right course has been pursued in surrendering those double-dyed traitors, Mason and Slidell.

Mr. Sumner has done "something more exquisite still." He has reported, as Chairman of the Committee on Foreign Relations, a bill authorizing the appointment of diplomatic representatives to the court of the black empire of Hayti and the court of the black republic of Liberia. This is well timed, patriotic and wise. Hayti is a great country. It abounds in wool, black as ebony—a commodity, however, rather plentiful in the United States just now—the supply, indeed, so greatly exceeding the demand that an immense export is talked of. The island is famous for the massacre of white men, women and children by the negro population—a theme upon which Mr. Sumner and Wendell Phillips expatiate with great delight. The Haytiens are decided favorites with them. Since black rule gained the ascendancy the exports, including sugar and tobacco, have become small by degrees and beautifully less, till now at last they are almost nil. The climate is fine and salubrious, the soil is productive to a fabulous extent, and the country beautiful. It would be a kind of paradise if under the dominion of white men. As it is, Sambo sleeps all day in the sun and lives on the spontaneous productions of the soil. Why should he work? So liberal is his sable majesty the Emperor that no white man, and no black man who is not a native born Haytien, can own any property in the island. Such, at least, was the case very recently. By all means let a diplomatic representative be sent to Hayti.

Liberia has been trying hard to become a great country, under a different form of government from that of Hayti. It is a sort of galvanized republic, consisting of emancipated negro slaves from the United States, to the number of about ten thousand, with about two hundred and fifty thousand aborigines, or captives released from slavery. The country has been purchased by the American Colonization Society from time to time. This colony has cost enormous sums of money; but, by all accounts, the success which has attended the enterprise is very indifferent. It was founded in 1823, and, instead of making any progress in forty years, it is said to be relapsing into the original barbarism indigenous to Africa; and, instead of the American negroes civilizing their African brethren, they are fast losing their semi-civilization derived from the white man, and will probably soon rival the subjects of the King of Dahomey in the relish with which they eat their enemies. It is even reported that the citizens of the republic are engaged extensively in the slave trade. What Liberia exports besides slaves we know not. Let a diplomatic agent be sent there immediately to look after our important commercial and international interests.

As soon as the war is terminated and Congress has time to bestow attention upon such matters, we trust it will not stop short in the good work of extending our diplomatic relations to other nations of the same kind, and that among the first to receive our representatives will be the Feejee Islands—a group of one hundred and fifty-four islands, sixty-five of which are inhabited—population 135,000. They are of volcanic origin. The mountains are covered by a luxuriant foliage to their summits, giving them a singularly pleasing and picturesque aspect. The valleys are fruitful and beautiful; the climate is magnificent; the most delicious fruits abundant; the soil teems with vegetable productions, and so rapid is the vegetation that turnip and radish seed, after being sown twenty-four hours, appear above the surface in leaves. Melons, cucumbers and pumpkins spring up in three days, beans and peas in four. The inhabitants grow up almost with equal velocity. What an Arcadia for a poet of the Sumner type! There is primitive simplicity in dress and perfect freedom in everything. We are not aware of any great commerce with these islands at present, unless it be the red feathers of the parrot, earthen ware, stone hatchets and sandal wood; but it may be developed and cultivated. The soil produces sugar cane and tobacco; but the inhabitants are described as "barbarous, savage, extremely covetous and addicted to lying; complexion very dark, faces long, with a large mouth, well set teeth, a good nose, eyes black and penetrating." They were visited by the renowned Commander Wilkes, who found savage life in all its glory. Their delicate palate in the matter of food is remarkable. Cannibalism does not exist there, as in other countries, as a demonstration of triumph over enemies or an act of revenge, but from a keen